



U.S. Department
of Transportation
**Pipeline and
Hazardous Materials Safety
Administration**

SENT TO COMPLIANCE REGISTRY

Hardcopy ☐ Electronically ☒

of Copies 1 / Date 9.10.08

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

September 10, 2008

Mr. John Zager
General Manager
Union Oil Company of California
909 West 9th Avenue
Anchorage, AK 99501

CPF 5-2008-2003M

Dear Mr. Zager:

On March 24-27, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Union Oil Company of California (UOCC) procedures for your Cook Inlet Natural Gas Pipeline facilities. Specifically we reviewed UOCC's "STANDARD OPERATING AND MAINTENANCE PROCEDURES MANUAL FOR GAS PIPELINES" at your office in Anchorage, Alaska.

On the basis of the inspection, PHMSA identified the following inadequacies within UOCC's operating and maintenance procedures, as described below:

1. **§192.605 Procedural manual for operations, maintenance, and emergencies.**
Each operator shall include the following in its operating and maintenance plan:
(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(3) Making construction records, maps, and operating history available to appropriate operating personnel.

A. The Pipeline Specific Operations Manual (PSOM) for Steelhead Platform's gas pipelines A & B, designates that the pressure controlling devices are the pressure relief valves, H-PSV 2015 and H-PSV 4184, which are both set at 1760 psig. The Piping and Instrumentation Diagram (P&ID) for Steelhead Platform designates that the pressure controlling device is PSV 4148, which is set at 1480 psig. During the field inspection, it was found that the pressure control device was the pressure relief valve, PSV 2015 B, which is set at 1481 psig. The Operator needs to change the PSOM and P&ID to ensure that the procedures and supporting diagrams accurately reflect the pressure control devices that protect the facilities and their proper set point.

B. The PSOM for Grayling Platform's gas pipeline B states that when importing gas from the Trading Bay Production Facility that the pressure controlling device is the pressure relief valve, PSV 210, which should be set at 840 psig. The P&ID designates that the only pressure control device is relief valve, PSV 210, which is set at 800 psig. The operator needs to reconcile the PSOM and P&ID to ensure that the procedures and supporting diagrams reflect the appropriate set point.

C. When gas is flowing to the Bruce Platform from Granite Point Tank Farm, the PSOM designates that the pressure controlling devices are the pressure relief valve, T-PSV 480 (set at 200 psig), and pressure relief valve, T-PSV 514 (which is set at 1400 psig). The P&ID designates that the pressure control device is the only pressure relief valve, T-PSV 514, which is set at 285 psi. In the field, the pressure controlling device was found to be the pressure relief valve, PSV 1230, which is set at 285 psi. The operator needs to change the PSOM and P&ID to ensure that the procedures and supporting diagrams reflect the pressure control devices that protect the facility and their proper set points.

**2. §192.713 Transmission lines: Permanent field repair of imperfections and damages.
(b) Operating pressure must be at a safe level during repair operations.**

UOCC's O&M Manual, Table G8.02A, page 112, does not require that industry standard ASME B31G be used to determine the pressure during excavation of corrosion defects, or 80% of the operating pressure, whichever is less.

**3. §192.717 Transmission lines: Permanent field repair of leaks.
(5) Apply a method that reliable engineering tests and analyses show can permanently restore the serviceability of the pipe.**

The O&M Manual, Table G9.01A, does not specify how internally corroded pipe will be repaired.

**4. §192.727 Abandonment or deactivation of facilities.
(b) Each pipeline abandoned in place must be disconnected from all sources and supplies of gas; purged of gas; in the case of offshore pipelines, filled with water or**

inert materials; and sealed at the ends. However, the pipeline need not be purged when the volume of gas is so small that there is no potential hazard.

UOCC's O&M Manual, Procedure G13.01, page 165, stated that, "Offshore pipelines should be filled with a non-hazardous liquid to maintain negative buoyancy." The code requires that this be done; therefore, their O&M Manual should be revised to indicate this is a mandatory requirement.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within [number of days] days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to **CPF 5-2008-2003M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 B. Flanders (#'s 122013, 120665, 120666, 120667, 120668, 120669)

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*